

**HOUSING PRODUCTION TRUST FUND BOARD
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
GOVERNMENT OF THE DISTRICT OF COLUMBIA**

MEETING MINUTES

THURSDAY, SEPTEMBER 19, 2019
12:30 pm
DHCD HOUSING RESOURCE CENTER

WELCOME

Susanne Slater, Chairperson

The DHCD Housing Production Trust Fund Board convened in the Housing Resource Center, 1800 Martin Luther King Jr. Ave. SE, Washington, DC., pursuant to notice at 12:35 pm, Susan Slater, Chairperson, presiding.

Board Members Present:

Charles Lowery
Susanne Slater
Jim Knight
Lynn French
Stan Jackson

Also present:

Polly Donaldson – DHCD Director
Tsega Bekele – DHCD Deputy Chief of Staff
Reshma Holla – DHCD DFD Deputy Manager*
Richard Livingstone - DHCD Special Assistant
Erin Wilson - DHCD DFD Deputy Manager
Anna Scallet – DHCD DFD Project Manager
Andrea Wise – DHCD DFD Project Manager
Sheila Miller – DHCD Deputy Director – Programs
Ana van Balen – DHCD Housing Preservation Officer

* present via telephone

MINUTES

Minutes for the May 2019, June 2019, and July 2019 meeting were reviewed in order. Charles Lowery moved to approve the May 2019 Minutes. The motion was seconded by Susanna Slater. The minutes were approved by voice vote with Stan Jackson abstaining, Lynn French not present not voting. Stan Jackson moved to approve the June 2019 Minutes. The motion was seconded by Jim Knight. The minutes were approved unanimously, Lynn French not present not voting. Charles moved to approve the July 2019 Minutes. The motion was seconded by Stan Jackson. The minutes were approved unanimously, Lynn French, not present not voting.

DHCD UPDATE

Polly Donaldson, Director

Director Donaldson made staff announcements following the departure for former DHCD Deputy Director Allison Ladd. Sheila Miller is joining DHCD from private practice and the Housing Finance Agency Board as Deputy Director for Programs. Chief Administrative Officer Drew Hubbard is now serving as Deputy Director for Operations, Michael Smalls will serve as Interim Chief Administrative Officer. Tsega Bekele is Interim Chief of Staff and Richard Livingstone is Interim Deputy Chief of Staff and Comms Director.

Director Donaldson recapped the Housing Leaders trip to NYC to discuss NYC 2.0 and structure including coordinating on underwriting. She was joined on the trip by Interim Deputy Mayor for Planning and Economic Development John Falcicchio, Housing Finance Agency Executive Director Todd Lee, Housing Authority Executive Director Tyrone Garrett and other district officials.

Director Donaldson shared information on the upcoming Community Conversation on Housing stemming from the Housing Framework for Equity and Growth activities being undertaken by the Office of Planning (OP) and DHCD as a result of the Mayor's Order on Housing. She encouraged board members to attend the event on Saturday, September 21st where they can hear the results of the survey we recently conducted with OP on the equitable distribution of affordable housing, noting we received over 2700 responses.

Director Donaldson shared that the Low Income Housing Tax Credit TOPA Exemption for Transfers of Interest Act of 2019, Bill 23-0074, is scheduled for a hearing on October 2nd and promised to share the hearing announcement.

The board engaged in conversation and inquiries on these updates including inquiring about how the Director's panel with Fannie Mae and the Urban Institute went earlier in the week.

HOUSING PRODUCTION TRUST FUND UPDATE

Erin Wilson, DHCD

Erin shared we're quickly approaching the end of the fiscal year and reported on our efforts this fiscal year to meet the statutory requirements of the fund. She reported that (with a few closings still to come) we've spent \$122M across 15 projects for a total of 973 units of affordable housing produced. Erin noted that while this number is smaller than last fiscal year it's to be expected as we have obligated the entirety of the trust fund balance and beginning in FY 20 will rely only on new allocations by FY which for FY 20 is \$116M.

The board discussed the challenges and realities of operating the fund only on new budget authority by FY including that there's really two forms of success to be celebrated here: one on the

agency's ability to obligate the fund and get money out the door; and two the development communities ability to have strong projects in need of gap financing to create a true pipeline of projects.

PRESERVATION UPDATE

Ana van Balen

Ana shared that \$50M in preservation fund loans have been dispersed to date with 12 loans closed (of which 9 were TOPA transactions). These loans account for 1,185 units with 1,148 affordable at or below 80% MFI (with most below 50%).

With regards to take out financing, we are tracking whether take out is contemplated with HPTF, which it is for 11 out of the 12 loans. Of those, 2 have been awarded so far with others planning to apply in future RFP rounds. Many of these projects are also using tax credits.

She shared that the \$10M in FY 20 appropriations are out in a Request for Applications for a fund manager.

Ana shared the Department is relaunching the Small Buildings Program in the next 2 weeks with \$1M in funding available. She reminded the group that the program was initially a pilot, focused on code violations. The program has changed to no longer require code violations but will still cover critical repairs. This can be a helpful program for LECs and CoOps as owners cannot own more than 3 buildings to qualify.

The board engaged in discussions on market evolution, including the pros and cons of having such amazing tools for both production and preservation. Additionally, they brainstormed take out options aside from HPTF and additional leverage opportunities for rehab, including a state tax credit.

LEGISLATIVE UPDATE

Polly Donaldson, DHCD

The legislative update was provided earlier in the meeting by Director Donaldson in the absence of Danilo Pelletiere who she shared was presenting to the city of Minneapolis at their request on the Tenant Opportunity to Purchase Act (TOPA).

Charles Lowery motioned to adjourn the meeting. The motion was seconded by Lynn Frnech. All voted in favor. The meeting was adjourned at 1:45pm.